



STAFF REPORT

AGENDA NO: 8e

MEETING DATE: August 19, 2019

To: Honorable Mayor and City Council

Date: August 19, 2019

From: Syed Murtuza, Director of Public Works – (650) 558-7230

Subject: Adoption of a Resolution Rejecting All Bids Received for the 1740 Rollins Road and 842 Cowan Road Pump Station Upgrades, City Project Nos. 83390 & 84820

RECOMMENDATION

Staff recommends that the City Council adopt the resolution rejecting all bids received for the 1740 Rollins Road and 842 Cowan Road Pump Station Upgrades, City Project Nos. 83390 & 84820, and authorize staff to perform value engineering by modifying the specification requirements and re-advertise the project.

BACKGROUND

Upgrades to the 1740 Rollins Road & 842 Cowan Road Pump Stations have been identified as high priority improvements in the City's Capital Improvement Program (CIP). The 1740 Rollins Road Pump Station site consists of two stormwater and one sewage pump station. The second stormwater pump station site is located at 842 Cowan Road and receives storm flows from Millbrae in addition to serving Burlingame areas. The Cowan pump station is operated and maintained by the City Burlingame, but the capital, operation, and maintenance costs are shared 60/40 between the two agencies, with 60% as the City of Burlingame's share and 40% as the City of Millbrae's share.

The pump stations were originally constructed in the 1950's, have served their useful life, and are in need of upgrades. The storm drainage pump stations serve the southern portion of Millbrae, El Portal/Trousdale channels, and parts of Mills Creek watershed. The storm pump stations are vital in preventing flooding in the affected areas. The sewage pump station services the Rollins Road commercial/industrial area. The planned work consists of site/civil improvements, upgrades to mechanical, structural, electrical infrastructure, and instrumentation and control upgrades to two existing stormwater pump stations and one sanitary sewage pump station.

DISCUSSION

The project was advertised for bids on May 23, 2019. The bids were opened on July 18, 2019, and two bids were received in the amounts of \$5,148,000 and \$5,613,869. Both bids are significantly higher than the engineer's estimate of approximately \$4,188,000. The higher bids can be attributed to current construction market conditions and stricter project requirements and

controls. After a comprehensive evaluation of bid results, and discussions with technical experts and prospective contractors, staff recommends that the City Council reject all bids received for the project, and authorize staff to perform value engineering to identify other alternate methods of construction and project controls that may lower costs without sacrificing project quality and desired outcome. Although additional time will be necessary to perform value engineering before rebidding the project, staff believes that the overall schedule, operations, and objectives of the project will not be adversely impacted.

FISCAL IMPACT

None.

Exhibits:

- Resolution
- Bid Summary